

HIGHLIGHTS FROM BERKSHIRE HATHAWAY ANNUAL MEETING

1) Buybacks: Berkshire repurchased \$1.7b worth of shares in 1Q19 (more than 2H18), as its cash pile continue to swell to \$114b. "We are going to be more liberal when it comes to repurchasing shares...we are certainly willing to spend \$100 billion [on buybacks]" should Berkshire's market value falls below intrinsic value

2) Amazon is a 'value' bet: Amazon rose on Friday after Buffett say Berkshire has been buying Amazon, although the decision was made by "one of the fellows in the office that manage money", who took into consideration a slew of financial metrics. "The considerations are identical when you buy Amazon versus ... say a bank stock that looks cheap against book value or earnings of some sort,"

3) Overpaying for Kraft Heinz: Heinz was at one-point Berkshire's most valuable common stock investment but had lost more than 60% of its value since start of 2017, and recently delayed its 1Q earnings due to accounting issues. "Kraft Heinz is still doing very well operationally... I think the problem was that we paid a little too much for the last acquisition... You can turn any investment into a bad deal by paying too much"

4) Caution on private equity: "We have seen a number of proposals from private-equity funds where the returns are really not calculated in a manner I would regard as honest...I would not get excited about so-called alternative investments." It was recently reported that Buffet 'looked' at Uber investment 18 months ago, but passed. Uber is set to go public this month with a valuation of \$83.8b on the high end of that range. Uber last raised money in the private market at a \$76 billion valuation.

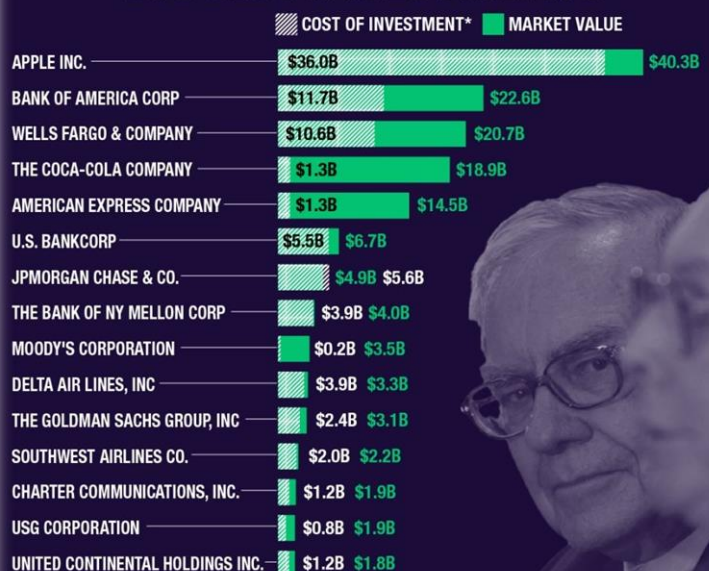
5) Berkshire after Buffett: At the CEO level, Berkshire has made Ajit Jain and Greg Abel vice chairmen, a move that was confirmed to be part of the succession plan. Jain oversees the conglomerate's insurance businesses while Abel oversees non-insurance business operations.

2018

AR:

<http://www.berkshirehathaway.com/2018ar/2018ar.pdf>

BERKSHIRE HATHAWAY'S BIGGEST INVESTMENTS



SOURCE: COMPANY REPORTS *ACTUAL PURCHASE PRICE
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